

Comprehensive Packaging Solutions



Darn Tough Socks

1.12.23

Prepared by:

Matt Litscher

214-724-8523

MattL@pacmachinery.com

Proposal #:

222426

Project Name:

Sock Application

PAC Machinery

More experience. Better choices.

Why do so many packaging professionals choose PAC Machinery packaging solutions?

Converting Technology

pacmachinery.com

Comprehensive Packaging Solutions



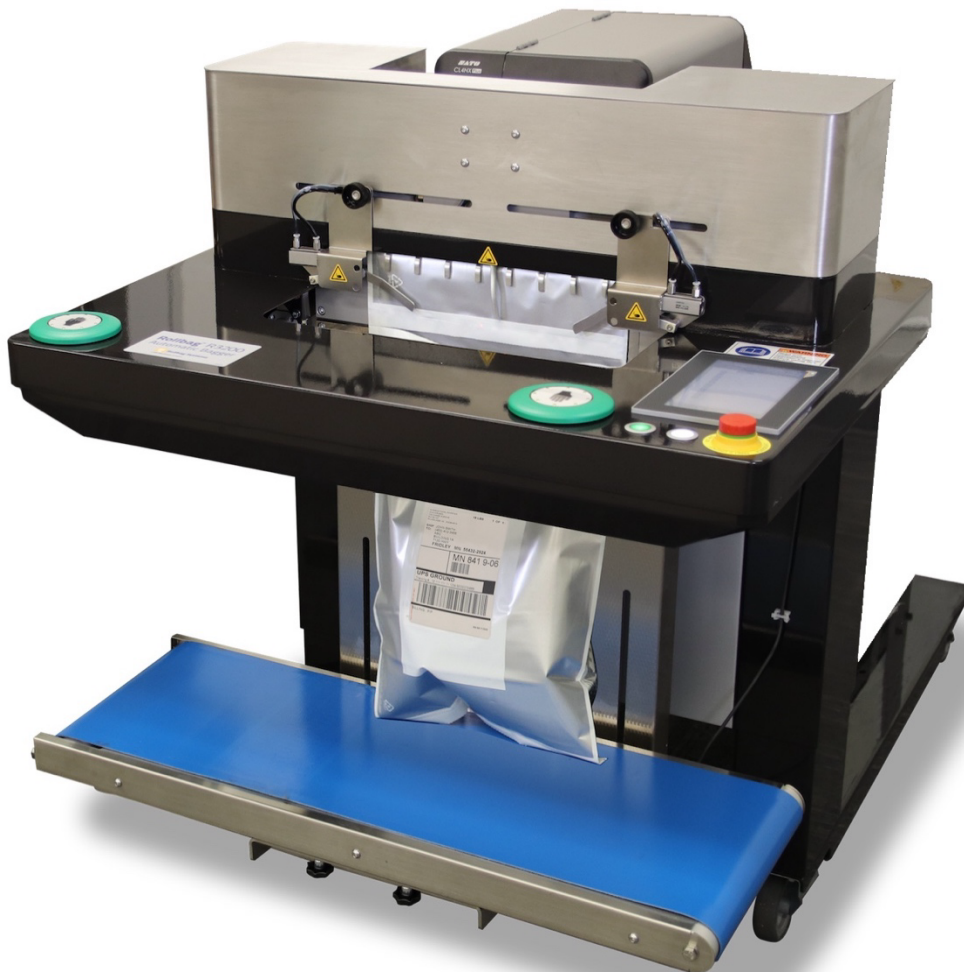
Rollbag Systems

a PAC Machinery company

775 Berea Industrial Pkwy., Berea, OH 44017 ■ 1 (234) 222-1000

Rollbag™ R3200 Fulfillment Paper Automatic Bagging System

The Rollbag R3200 Fulfillment Paper is an elite bagging system for paper as well as poly. This automatic bagger works with pre-made poly or paper bags. The benefits of pre-opened paper bags include curbside recyclability. [Click here](#) for videos and more details on this packaging machine.



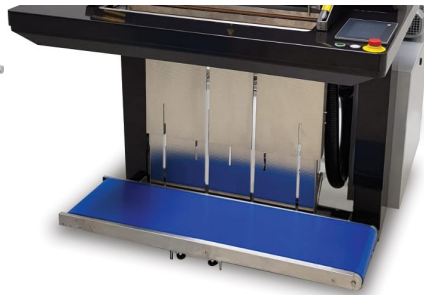
Rollbag R3200 shown with options



Rollbag Systems

a PAC Machinery company

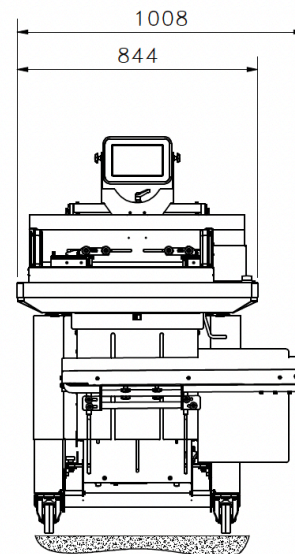
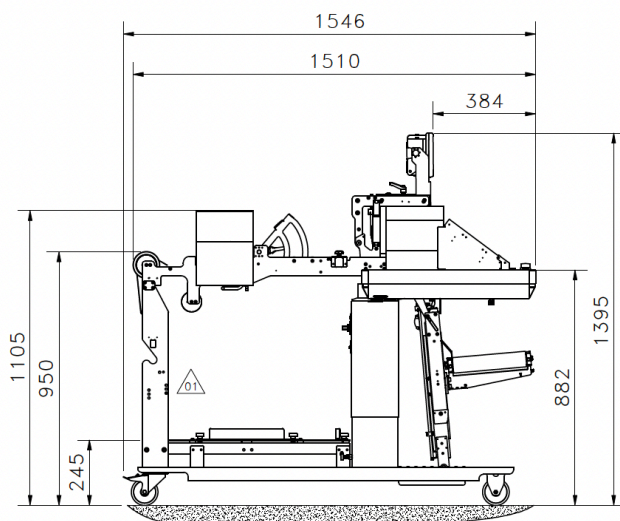
775 Berea Industrial Pkwy., Berea, OH 44017 ■ 1 (234) 222-1000



Project Overview:

- Product: XYZ
- Bag Style: Pre-Opened Bags on a Roll
- Bag Material: Polyethylene
- Bag Dimensions: A x B
- Weight/Bag: X oz

System Footprint (R3200 Fulfillment Paper):



For Reference Purposes Only



Rollbag Systems

775 Berea Industrial Pkwy., Berea, OH 44017 ■ 1 (234) 222-1000

a PAC Machinery company

Operating Benefits

- Works with pre-opened poly bags on a roll or in a box, as well as pre-opened paper bags
- Load shelf outfeed conveyor (optional) for transporting bags away from the machine
- Easy load bag opener (optional) squares the poly bag up for ease of loading and supporting heavier products
- Bag open sensor (optional) detects that the poly bag is in position and ready to accept product
- Integrated label printer applicator ties into warehouse management system to print and apply shipping label directly on the outside of the bag
- 7" color touchscreen with user-friendly interface and clear prompts
- B&R PLC with job storage, batch counters, packaging statistics, and login-in levels

Set-Up Benefits

- Interface ports to integrate robotics and other feeding systems
- Ability to switch from poly to paper by swapping the seal bar
- Stand with casters and a compact design provides portability
- Quick bag change feature to facilitate easy and fast changeover

Maintenance Benefits

- Designed to minimize preventative maintenance costs by using off-the-shelf components
- Quick service access to all pneumatic and electrical components
- Self-diagnostics ensure quick problem solving
- Print head uses direct thermal printing, eliminating the need for costly printer ribbon
- Warranty extendable up to 5 years when exclusively using Rollbag brand material and labels

Safety Benefits

- Low pressure seal bar closing
- Safety light curtain
- CE compliant design for improved safety and troubleshooting
- Readily accessible emergency stop button



Rollbag Systems

775 Berea Industrial Pkwy., Berea, OH 44017 ■ 1 (234) 222-1000

a PAC Machinery company

Technical Specifications

- Speed: up to 10/min (dependent on length, thickness, product, print, and configuration)
- Max Bag Width: 16"
- Max Bag Length: 27.5"
- Seal Bar Opening: 6"
- Bag Thickness: 1 – 4 mil (14" max roll diameter)
- Printer Type: ZPL compatible printing
- Label Size: 4" max width, 1.5" min height
- Compressed Air: 80psi @ 5CFM
- Electrical: 120V, 50/60 Hz, 1,800 Watts
- Warranty: 1 year
- Dimensions: 34" W x 60" D x 44" H (final dimensions dependent on exact configuration)

Included Features:

Top-Mount Label Printer Applicator

Integrated label printer applicator ties into warehouse management system to print and apply a label directly on the outside of the bag. The printer works with labels up to 4" wide for printing and applying 4" x 6" shipping labels. It works with labels as small as 2" x 1.5" for printing and applying a barcode or other product identifying information.



Articulating Bag Support – Extended Length

This option supports the bag during the sealing process. At the end of the cycle the load shelf tilts down at an angle, dispensing the bag to the next step of the packaging operation. The maximum bag length with the articulating bag support is 24".





Rollbag Systems

a PAC Machinery company

775 Berea Industrial Pkwy., Berea, OH 44017 ■ 1 (234) 222-1000

Fan Folded Bag Handler

This fan folded bag handler is designed for use with large poly bags folded in a box as well as paper bags. A benefit of boxed bags is reduced changeover as more bags fit in a box when compared with bags on a roll.



Seal Flattener Fingers - Shifting

The seal flattener fingers go into the bag and stretch it taught prior to sealing, to minimize wrinkles in the seal area. This feature is ideal for bags that are filled with heavy products or ones that tend to pull on one side of the bag when it is filled.



Interface Port

Allows the bagger to communicate to external devices. When integrating the bagger, it can be set to either master or slave mode. This option includes the integration cable.



2nd Seal Bar - 8mm for Paper

An 8mm (5/16") wide seal bar is supplied with the machine, in addition to the standard 1.5mm wide seal bar for poly. This wider seal bar allows for optimal sealing through heat sealable paper. While the 8mm seal bar will work with poly as well, the standard 1.5mm wide seal bar is recommended due to the sealing properties of polyethylene.



Light Curtain

Prevents the operation of the bagger when the optical detection field is obstructed. Can also be used to trigger the start of the cycle, once the obstruction is no longer detected.





Rollbag Systems

775 Berea Industrial Pkwy., Berea, OH 44017 ■ 1 (234) 222-1000

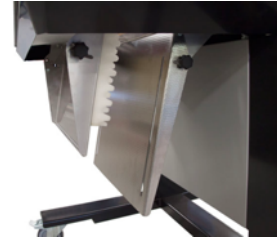
a PAC Machinery company

Air Expeller

The air expeller is a plate with a foam pad. This device presses against the bag prior to sealing, removing excess air.

Adjustable Hole Punch

Pneumatic punch that puts a small perforated hole (flutter vent) in the bag, allowing for excess air to escape.



Printing Options

Thermal Transfer Printer

If you need to print large text, images, or barcodes directly on your poly bag, then a thermal transfer printer is the the right solution. Our Videojet thermal transfer printer is available with a 4" wide print head, has a print resolution of up to 300 dpi, and can print at a blazing rate of up to 24 inches per second. Additionally, software is available in order to make print set-up a breeze. When ordering this option and using paper bags, a label will be applied to the paper using the label applicator and then the thermal transfer printer will print directly onto the label.



Cycle Activation Options:

Easy Touch Start Sensor

Start the sealing cycle with an optical sensor for improved ergonomics. This sensor detects the presence of the operator's hand and then the machines starts its cycle. This sensor features a magnetic backing so that the operator can place it in the most ergonomic position for them.





Rollbag Systems

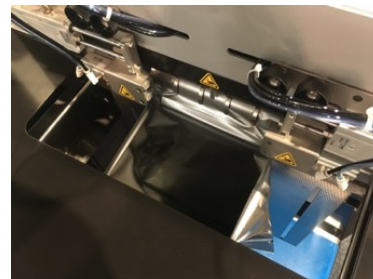
a PAC Machinery company

775 Berea Industrial Pkwy., Berea, OH 44017 ■ 1 (234) 222-1000

Bag Loading & Closing Options:

Easy Load Bag Opener for Poly

The easy load bag opener includes several features in one. First off, this system creates a square or rectangular opening for ease of loading product into the bag. Secondly, the system physically grips the bag, in order to support heavier products. Third, the bag is stretched tight prior to sealing, to minimize wrinkles in the seal area. This option includes a sensor that detects that the film is in the fingers as well as film guides to assist in set-up. The easy load bag opener is designed for poly bags that are 10" or wider.



Bag Take Away Options:

Bag Support Outfeed Conveyor

This conveyor supports and lifts the bag during sealing, after which the sealed bags are transported to the left or right side of the bagger. This conveyor allows the operator to comfortably stand or sit in front of the bagger during packaging.



Incline Outfeed Conveyor

The incline outfeed conveyor transports bags from the bagger up to table height. With every cycle of the bagger, the conveyor indexes one step. It consists of a horizontal section where the bag is dropped, and an inclined section which has a height of approximately 35". The height and angle of the inclined section are adjustable. The conveyor is made of stainless steel and equipped with casters. The outfeed conveyor is available in 16" conveyor width. The conveyor can be put in front of the bagger, like in the picture, or to the side of the machine.



Additional Options

Spare Parts Kit

This kit includes basic consumable and replacement parts for the machine. These parts include PTFE seal bar cover, pressure rubber, and perforation knife.



Rollbag Systems

775 Berea Industrial Pkwy., Berea, OH 44017 ■ 1 (234) 222-1000

a PAC Machinery company

Pricing (US\$):

Rollbag R3200 Fulfillment Bagger	\$ 56,845
----------------------------------	-----------

Included Features:

- Label Printer Applicator
- Seal Flattener Fingers
- Articulating Bag Support – Extended Length
- Air Expeller
- Adjustable Hole Punch
- Fan Folded Bag Handler
- 2nd Seal Bar - 8mm for Paper
- Light Curtain
- Interface Port

Options:

On-Site Start-Up & Training	\$ 5,000
-----------------------------	----------

Printing Options (instead of label print and apply on top)

4" Thermal Transfer Printer	19,505
-----------------------------	--------

Cycle Activation Options:

Easy Touch Start Sensor	1,085
-------------------------	-------

Bag Loading & Closing Options:

Easy Load Bag Opener for Poly	4,570
-------------------------------	-------

Bag Take Away Options:

Bag Support Outfeed Conveyor (instead of articulating bag support)	4,740
Incline Outfeed Conveyor	9,875

Other Options:

Spare Parts Kit	1,030
-----------------	-------

Packaging Materials

Stock Rollbag Pre-Opened Bags

[Click here](#)



Rollbag Systems

775 Berea Industrial Pkwy., Berea, OH 44017 ■ 1 (234) 222-1000

a PAC Machinery company

Custom Rollbag Pre-Opened Bags

[Click here](#)

Poly Tubing

[Click here](#)

Thermal Transfer Ribbon

[Click here](#)

Bag Quote Information

	Width	Length	Thickness	Qty 1	Qty 2	Qty3
Bag 1						
Bag 2						
Bag 3						
Material	<input type="checkbox"/> Polyethylene		<input type="checkbox"/> Polypropylene		<input type="checkbox"/> Other, Describe:	
Color	<input type="checkbox"/> Clear		<input type="checkbox"/> White/Clear		<input type="checkbox"/> White/Grey	
	<input type="checkbox"/> Other		Describe:			
Describe printing (# of colors, # of sides) and other requirements (header, hang holes, vent, perforation etc):						

Financing:

Financing options available. Contact us for details.

Project Specifications:

Customer responsible for providing all technical specifications and requirements at time of quotation, using the application questionnaire. Failure to submit a filled out application questionnaire could result in additional costs as well as an extended lead time.

Product samples not submitted for testing and detailed in the application scope may not run on the system as configured. Should customer wish to package additional products, additional options may be required, impacting system cost and quoted lead time.

Customer responsible for material handling required to get the product to, as well as take the product away from, the packaging system. Material handling should be done in a manner suitable for the system to function according to the technical specifications.

Final configuration of your machine will be approved by PAC Machinery for technical feasibility.

**Rollbag Systems**

775 Berea Industrial Pkwy., Berea, OH 44017 ■ 1 (234) 222-1000

a PAC Machinery company

Factory Acceptance Test (FAT):

An FAT at PAC Machinery's facility for up to 1 day is included in the price of the machine. The FAT is designed to demonstrate that the machinery meets the requirements detailed in the application scope. The FAT must be scheduled with customer service prior to machine shipment. At the conclusion of the FAT, the customer will sign-off using [this](#) form.

If customer declines the FAT, PAC Machinery will be entitled to decline any claims for not meeting technical specifications. Customer will be charged for any visits or additional work required for the machinery to meet their requirements.

Start-Up & Training:

Recommended training and start-up of the unit is available from PAC at a flat rate of \$5,000 for two days. This rate includes 8 hours per day of start-up and training plus all travel and living expenses within the USA. This flat rate only applies to new machine orders and must be purchased with the machine. Technician must be scheduled 3 weeks prior to install date. Scheduling of a technician less than 3 weeks prior to install date is subject to availability and will incur an additional \$500 charge. Customer is responsible for uncrating the equipment, moving it into place, and having the air and electrical utility connections made to the equipment prior to the arrival of the technician. Should technician arrive and the site is not ready, customer will be billed in full for the start-up and training visit.

Quotation Validity:

60 days from date of quotation.

Delivery Terms:

FOB Berea, OH

Current Lead Time:

All quoted lead times are based on conditions at time of quote, are subject to change due to conditions at time of purchase, and may be impacted by options ordered as well as supply chain disruptions.

Estimated lead time 16 - 24 business weeks after receipt of deposit. Certain configurations may be available with a shorter lead time.

Final lead times are confirmed at time of order and based on receipt of deposit.

Payment Terms:



Rollbag Systems

775 Berea Industrial Pkwy., Berea, OH 44017 ■ 1 (234) 222-1000

a PAC Machinery company

50% with order, 40% prior to shipment, balance due net 30 days from ship date. Terms are subject to [credit approval](#).

Warranty:

Comprehensive (3 year or 5 year):

Replacement Parts

All replacement parts on bagger will be replaced for 3 or 5 years from original ship date.

Bagger Warranty Repairs

Free of charge, at our factory (applies to 5 year comprehensive warranty only)

Art & Plates

25% discount on art & plates for printed material.

Material Requirements

Buyer agrees to exclusively use Rollbag brand material for the duration of the warranty period.

Pricing

\$2,500 per bagger for 3 years

\$4,000 per bagger for 5 years

Please email purchase orders to orders-clamco@pacmachinery.com and reference the quote #.222426



Rollbag Systems

a PAC Machinery company

775 Berea Industrial Pkwy., Berea, OH 44017 ■ 1 (234) 222-1000

TERMS AND CONDITIONS

GENERAL STATEMENT:

PAC Machinery manufactures machines which are used in a variety of industries for a wide variety of packaging applications. Due to this wide variety of potential uses, it is important for a purchaser to perform adequate testing of a PAC machine prior to its commercial use to determine, based entirely upon its own judgment, that the machine is suitable or fit for the proposed use or purpose. In some cases, the machine may require modification to be fit for the intended purpose. In other cases, the machine may not be suitable or fit for the intended purpose. For this reason, PAC cannot warrant that a particular machine may be fit for a purchaser's intended use or purpose.

Upon acceptance of the sales offer ("Sales Offer") made by PAC Machinery ("Seller") to the purchaser ("Purchaser") through an Order Confirmation, Seller and Purchaser agree to be bound by the following terms and conditions governing the sale and delivery of the product(s) ("Product") described in the Sales Offer and Order Confirmation. Acceptance of a Sales Offer and/or performance by Seller does not constitute acceptance of any terms and conditions of Purchaser and does not serve to modify or amend these Terms and Conditions in any way.

A. SAMPLES AND TECHNICAL INFORMATION. Purchaser agrees to provide Seller, at Purchaser's expense, with sufficient sample items and packaging materials for proper testing and validation of production output and speed. Failure to provide Seller adequate sample items and packaging materials sufficiently in advance of shipment date may result in delivery delays. Seller assumes no liability for such delays. It is also Purchaser's responsibility to send Seller accurate written technical specifications for the application before samples are sent to Seller for testing. All quotes or subsequent writings supersede any prior verbal statements or comments.

B. REPRESENTATIONS. Production outputs, operating efficiencies, and mechanical rates are estimates only, and do not constitute guarantees by the Seller of actual production outputs, operating efficiencies, or mechanical rates. Pictures, images, or drawings are for illustration only. Final Product may differ from such illustrations.

C. INSPECTION & SHIPPING; RISK OF LOSS. Purchaser, at its discretion, should inspect the Product prior to shipment. Package samples, videos, or photographs may be requested prior to shipment. Should Purchaser choose not to inspect the Product or request the above, Purchaser accepts the Product as shipped. Additionally, risk of loss of the Product shall pass to Purchaser at the time the Product is tendered to a common carrier for delivery.

D. FACTORY ACCEPTANCE TEST ("FAT"). A FAT at Seller's facility or virtually, for up to (1) day, may be included in the price of the machine. The FAT is designed to demonstrate that the machinery meets the requirements detailed in the application scope. The FAT must be scheduled by Purchaser with Seller's customer service department prior to machine shipment. Seller recommends that a FAT be scheduled for all applicable machines.

If Purchaser declines the FAT, Seller will be entitled to decline any claims for not meeting technical specifications. Purchaser will be charged for any

visits or additional work required in order to modify the machinery to meet their requirements.

E. PAYMENT DEFAULT. Payment is due within the time period stated in the Sales Offer. All overdue accounts will incur finance charges at the rate of 18% per annum, compounded monthly. Purchaser shall reimburse Seller for all costs and expenses incurred related to any late payments, including reasonable attorneys' fees. Purchaser is not entitled to claim an offset against an outstanding balance for any reason.

F. WARRANTY. The Product is warranted to be free from defects in materials and workmanship for one (1) year (single shift operation), under proper use, maintenance, and environment beginning from the date of shipment. With a valid warranty claim, Seller will furnish replacement parts free of charge except for consumable items that are subject to normal wear and tear while using the machine and are therefore not covered under this warranty. Replacement parts subject to warranty should be ordered and failed parts returned as outlined below. Labor charges incurred for replacement or repair of such parts by the Purchaser are not covered by this warranty.

Seller does not warrant the results of or attempts to use the Product, as the operation and efficiency of the product is very subjective and influenced by factors beyond the Seller's control. This includes, but is not limited to, the operator's abilities, work environment, consistency of the product and material quality. Seller makes no warranty, expressed or implied, of merchantability or fitness for a particular purpose other than the operating capabilities of the Product as was studied and known by the Purchaser.

Customer is responsible for providing clean air and adequate power for the machine(s) to function properly. Seller is not liable for performance issues or damage to machines used in an inadequate environment at Purchaser's facility. For machines used in subpar environments, as determined by Seller, the warranty is void.

Should the Product not materially comply with the foregoing warranty during the warranty period through no fault of Purchaser, Purchaser's sole and exclusive remedy is to send any non-functioning component prepaid to Seller for examination. If Purchaser requests replacement prior to, or during, Seller's examination period, Purchaser must purchase the replacement at Purchaser's expense. THE FOREGOING WARRANTY IS EXCLUSIVE AND IS EXPRESSLY IN LIEU OF (I) ALL OTHER LEGAL OR CONVENTIONAL WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, AND (II) ALL OTHER OBLIGATIONS OR LIABILITIES ON THE PART OF SELLER. Seller's liability shall not exceed the cost of replacing any defective and/or malfunctioning Product. Purchaser's obligation to pay all amounts due under this Sales Offer is absolute and unconditional and is not and will not be subject to abatement, reduction or set-off for any reason.

This warranty applies to original Purchaser or reseller only. WARRANTY IS LIMITED TO REPAIR OF THE MACHINE AND REPLACEMENT OF DEFECTIVE PARTS. PAC SHALL NOT BE RESPONSIBLE FOR ANY GENERAL, SPECIAL, INCIDENTAL AND/OR CONSEQUENTIAL

Proposal



Rollbag Systems

a PAC Machinery company

775 Berea Industrial Pkwy., Berea, OH 44017 ■ 1 (234) 222-1000

DAMAGES TO A PURCHASER RESULTING FROM A DEFECTIVE MACHINE OR DEFECTIVE PARTS.

In the event Purchaser makes unauthorized modifications to the equipment, Seller is not responsible for performance issues or personal injuries and any Warranty provided for herein shall immediately be void.

G. RETURNS; CANCELLATION A Return Merchandise Authorization number [RMA #] from Seller is required for all returns to Seller for credit or for warranty service. The RMA# must be marked on the package, which shall be shipped prepaid to Seller. Credit will be issued after Seller has received the return and verified condition of the Product. Warranty returns will be repaired or replaced at the option of Seller. All returns for credit must be received within (30) days of invoicing and are subject to a minimum 20% restocking charge. Machines or portions of machines that are built-to-order, custom designed or unique to a customer's specifications or application, and which cannot be resold by Seller, in Seller's sole discretion, may not be eligible for return or credit as determined by Seller. Any damage or wear to machines or machine parts being returned will be deducted from any credit provided by Seller. This includes parts and labor as well as finishing needed to return to new condition. Notwithstanding anything herein to the contrary, deposits paid at time of order are non-refundable.

H. DELIVERY. All quoted lead times are based on conditions at time of quote and are subject to change due to conditions at time of order. Equipment is to be ready for shipment from receipt of order and down payments, if required. Shipping may be delayed if supply of technical information, package samples, packaging material, and product samples are not received in a timely fashion. In the event that Purchaser requests changes to the standard layout drawing, formal approval is required prior to commencement of fabrication, therefore resulting in extended shipping times. Should the purchaser request a factory acceptance visit or a FAT prior to shipping, up to an additional week shall be added to the shipping date. Seller shall not be liable for any delays in shipping related to Force Majeure events (as defined below) or delays beyond the reasonable control of Seller, such as delays due to third party suppliers, raw material shortage, etc. In the event a delay is caused by something beyond the reasonable control of Seller, then Purchaser shall not be entitled to cancel the order or obtain a refund.

I. PRODUCT START-UP. Due to factors beyond Seller's control, Product may require debugging and/or modifications at Purchaser's facility. Situations such as, but not limited to, insufficient real-time testing prior to delivery, lack of materials and products to test, rough handling during transport, integrating onto auxiliary product(s), upstream and downstream processes, production environments, and/or untrained operators, may cause the Product to malfunction and/or operate inefficiently or not as expected by Purchaser.

J. START-UP AND TRAINING. These services are not included in the price of the machine(s) unless listed and purchased in sales offer. Advanced purchase of start-up is provided at pre-set discounted prices. Purchaser is required to request the onsite support of a field service technician through the service department a minimum of 15 business days in advance. Factory trained technicians are available and recommended for start-up and training. Rates are available upon request.

K. LIMITATION OF LIABILITY. No action related to, or arising out of, this Sales Offer shall be brought after (1) year of Product delivery. IN NO EVENT SHALL SELLER OR PURCHASER BE LIABLE FOR ANY

INDIRECT, PUNITIVE, EXEMPLARY, INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOST PROFITS, LOST INCOME, LOST REVENUES, BUSINESS INTERRUPTION, LOSS OF USE OF THE PRODUCT OR AUXILIARY SYSTEMS, PROCESSES OR PRODUCTS, DOWN TIME OR LOST BUSINESS ARISING FROM THE PRODUCT, THE FAILURE OF THE PRODUCT, THIS SALES OFFER, THE BREACH OF, OR THE TERMINATION OF THIS SALES OFFER, INCLUDING ANY SUCH DAMAGES ARISING FROM BREACH OF WARRANTY OR FROM NEGLIGENCE OR STRICT LIABILITY, REGARDLESS OF WHETHER ANY PARTY ADVISED THE OTHER OF THE POSSIBILITY OF SUCH DAMAGES. IN NO EVENT SHALL SELLER BE LIABLE TO PURCHASER WITH RESPECT TO ANY SUBJECT MATTER OF THE SALES OFFER UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY, OR OTHER THEORY, AT LAW OR IN EQUITY, FOR ANY AMOUNT, REGARDLESS OF THE NUMBER OF CLAIMS ALLEGED, IN EXCESS OF THE PURCHASE PRICE PAID FOR THE PRODUCT. THE PARTIES ACKNOWLEDGE AND AGREE THAT SELLER HAS SET ITS PRICES AND ENTERED INTO THE SALES OFFER IN RELIANCE UPON, AMONG OTHER THINGS, THE LIMITATIONS OF LIABILITY CONTAINED HEREIN, AND SUCH PROVISIONS FORM AN ESSENTIAL BASIS OF THE BARGAIN BETWEEN THE PARTIES.

L. PURCHASER'S REMEDIES. Should the product malfunction by no fault of Purchaser, or as a result of incomplete or erroneous written specifications, and cannot be corrected with replacement parts, Purchaser's sole remedy is a refund of the Product purchase price. In no event will the Seller's liability exceed the purchase price paid for the Product. Purchaser acknowledges that the remedies and warranties set forth in these terms and conditions are the sole and exclusive remedies for breach of this of the agreement and/or failure of the Product.

M. PERFORMANCE AND INTEGRATION. In the event that Product is integrated with other machines, brands or types of product(s), Purchaser will indemnify Seller against all issues and/or problems directly or indirectly caused or associated with the integration. Seller's responsibility is limited to the proper function of the Product as provided in Seller's warranty and not the system and process in which it is used. The speed/performance estimates stated in this Sales Offer are approximate and are not based on real-life testing on products and materials submitted by Purchaser. It is understood that speed/performance estimates are not true performance results, and such results can only be determined once Product is installed and operating under real operating conditions. Applicable to Automatic Bagger and Flow Wrapper machines, Purchaser is responsible for ensuring its package (bag, container, case or tray) allows for products to be filled strictly using gravity, without manipulation.

N. GOVERNMENTAL REQUIREMENTS. When properly installed, operated, and maintained in suitable premises, the Product is designed to comply with general safety standards. Seller does not warrant that the Product meets all Federal, State, provincial or local government requirements.

O. VALIDITY. The Sales Offer is valid for a period of (60) days from the date of the Sales Offer and is subject to change thereafter at the discretion of the Seller. The signed and dated acceptance of the Sales Offer may be delivered by transmission of the signature page by either mail, courier, facsimile, or electronic form and will constitute execution and delivery of the entire agreement between the parties. In the event that a provision of this Sales Offer or these terms and conditions is held to be invalid or unenforceable, the remaining provisions of the Sales Offer of these terms

Proposal



Rollbag Systems

a PAC Machinery company

775 Berea Industrial Pkwy., Berea, OH 44017 ■ 1 (234) 222-1000

and conditions will remain in full force and effect. In the event of Distributor involvement or re-sale of the Product, it is further expected that all instructions and warnings supplied by the Seller be passed on to the end-user of the machine(s).

P. BINDING AGREEMENT. This Sales Offer, including these terms and conditions, constitutes the complete agreement between the parties with respect to its subject matter and supersedes all prior or contemporaneous agreements, understandings, representations, discussions, proposals, literature, and the like, oral or written. This Sales Offer, including these terms and conditions, may not be modified or amended except in writing and as expressly agreed to by the parties; no conditions, usage, or trade, course of dealing or performance, understanding, or agreement purporting to modify, vary, explain, or supplement these Terms shall be binding unless made in writing and signed by the Seller.

Q. NO WAIVER. No waiver of any of the terms or conditions of this agreement by Seller shall be deemed a continuing waiver of that or any other term or condition of this agreement.

R. GOVERNING LAW, EXCLUSIVE JURISDICTION & VENUE. This Sales Offer shall be interpreted and construed in accordance with the laws of the State of Ohio. Any dispute arising from, or related to, this Sales Offer shall be litigated or mediated exclusively in the federal or state courts located in Cuyahoga County, Ohio. The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action or any proceeding exclusively in such courts and irrevocably waive and agree not to plead or claim in any such court that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

S. WAIVER OF JURY TRIAL. THE PARTIES TO THIS SALES OFFER WAIVE THEIR RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING, AT LAW OR IN EQUITY, ARISING OUT OF OR RELATING TO THIS SALES OFFER.

T. LANGUAGE. The parties hereto have accepted that this agreement and all documents relating thereto be drawn up in the English language.

U. PASSAGE of Title. Title to all Product shall remain with Seller until the total price is paid in full. Until Seller receives payment in full of the Purchase Price, Purchaser grants to Seller a purchase money security interest in the Product, to secure payment of the Purchase Price. Purchaser authorizes Seller to file or record any UCC statement showing Seller's interest in the Product in all appropriate jurisdictions. All taxes and other charges imposed by federal, state, local, or foreign governments on the manufacture, sale, shipment, import, export, or use of the Product (other than income taxes) shall be paid by Purchaser. Purchaser shall defend, indemnify, and hold harmless Seller from and against all liabilities for such taxes or charges and attorney's fees or costs incurred by Seller in connection therewith. Purchaser may elect to finance the purchase price through a leasing arrangement with a third-party financing company (the "Financing Company") pursuant to which the Financing Company shall issue a purchase order on behalf of Purchaser to Seller and Financing Company may make payment directly to Seller. Seller agrees to review such financing arrangement and upon approval accept payment through such financing arrangement; provided that Purchaser shall remain fully liable for the purchase price payable hereunder subject to the terms and conditions contained herein. In the event of nonpayment or other default by the Financing Company, Seller may proceed directly

against Purchaser under this Agreement without first proceeding against or joining Financing Company.

V. DISPUTE RESOLUTION. Except as otherwise provided herein, all disputes arising out of or in connection with this Sales Offer, or in respect of any legal relationship associated with or derived from this Sales Offer, shall be mediated, prior to initiating litigation or binding arbitration, at the mutual cost of Seller and Purchaser. Notwithstanding the foregoing, in the event that Purchaser fails to timely pay the purchase price in full, Seller may immediately commence litigation, including a foreclosure proceeding, and pursue its rights under the applicable laws, for such default without the necessity of pre-suit mediation.

W. ATTORNEYS' FEES: SURVIVAL. In the event of any action or proceeding brought by any party against another under this Agreement, the prevailing party will be entitled to a reimbursement of all costs and expenses, including court costs, reasonable attorneys' fees, experts' fees, and other expenses incurred in investigating, preparing, and prosecuting the pursuit or defense of, any claims in, any legal action, including litigation (whether before or at trial, on appeal, or in any bankruptcy or collection proceeding), arbitration, and any alternative dispute resolution method, actions, or other proceedings.

X. FORCE MAJEURE. Neither Purchaser or Seller shall be liable to the other, nor deemed to have defaulted under or breached the agreement, for any failure in performing any term of the agreement (except for Purchaser's payment obligations to Seller) when and to the extent such failure to perform is directly caused by or results from acts beyond the non-performing party's reasonable control including, without limitation, the following Force Majeure Events: (i) acts of God; (ii) fire, flood, earthquake, and other similar natural disasters; (iii) epidemics, pandemics, and other such disease-related events which result in the closure or restriction of operating or manufacturing facilities, transportation and distribution facilities, common carriers, or other necessary factors in the sale and delivery process; (iv) war, invasion, armed conflict (whether war is declared or not), acts of terrorism, riots, protests, and other civil unrest; (v) government laws, order, or actions; (vi) embargoes; (vii) any declared national, regional, or state emergency; and (viii) strikes, labor stoppages or shortages, or material shortages. The non-performing party shall give the other party written notice within 24 hours of a Force Majeure Event, and such notice shall state the estimated period of time the non-performance is expected to occur. The non-performing party shall resume performance as soon as is reasonably practicable. If the Force Majeure Event and subsequent non-performance continues for more than thirty (30) days, either party may terminate the agreement.

Y. CONFIDENTIAL INFORMATION. All non-public, confidential, and/or proprietary information of Seller, including but not limited to, trade secrets, specifications, samples, documents, data., pricing information, discounts, rebates, and customer information disclosed by Seller to Purchaser by any means and in any format in connections with the Sales Offer and these terms and conditions is strictly confidential and shall not be disclosed by Purchaser to any third party.